GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:4640
ANSWERED ON:22.05.2006
PRODUCTION COST OF UREA
Adhalrao Patil Shri Shivaji

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Naphtha, fuel oil and gas are used as fuel for production of urea in the country;

(b) if so, whether the cost of production has been found to be varying based on the fuel used in production;

(c) if so, the details thereof and the production cost of urea produced during the last three years, year-wise; and

(d) the percentage of each of the said fuel being used at present in the country by fertilizer producers?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a) to (b) Natural gas, naphtha, fuel oil (FO) and low sulphur heavy stock (LSHS) are primalily used as feedstock and fuel in the manufacture of urea. Cost of production of urea is, among other things, dependent upon the cost of feedstock. and fuel.

The weighted average rates for concession for different feedstock groups of urea Jnits for 2002-03, 2003-04 and .2004-05 (Provisional) are as follows:

Group	Weighted average group concession rate (Rs./MT)		
	2004-05 (Provisional)	2003-04	2002-03
Pr-92	5680	5541	5513
Post-92 Gas	7784	7200	6762
Pre-92 Naphth	16127	12991	13122
Post-92 Naphth	15066	12118	12049
FO/LSHS	11430	11109	11266
Mixed feed	9272	8067	8307
Overall Weighted Averag	9738	8626	8558

(d) Out of the total production capacity of 197.0034 lakh metric tonnes per annum (LMTPA) of urea from 28 urea units in operation, 130.1749 LMTPA (66.08%) is based on natural gas, 45.4535 LMTPA (23.07%) on naphtha and ?1.37!5 LMTPA (10.85%) on FO/LSHS.